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U. S. DEPARTMENT OF AGRICULTURE

ARS 43-130
August 1960

Farm Real Estate Taxes

RECENT TRENDS AND DEVELOPMENTS

Agricultural Research Service UNITED STATES DEPARTMENT OF AGRICULTURE

Taxes levied on farm real estate in the United States totaled $1,192 million in 1959, an increase of $89 million, or 8 percent above the amount levied in 1958 (table 1). 1/ This is the sharpest annual rise in levies on farm real estate recorded in the last decade. For the most part, these taxes are payable in calendar year 1960. In 1959, State and local tax levies on farm real estate averaged $1.11 per acre, compared with $1.03 in 1958 (table 2). The index of taxes levied rose 15 points over 1958, to a record high of 199 (1946-48 = 100) in 1959 (fig. 1).

TAXES INCREASE IN ALL STATES

Taxes levied on farm real estate in 1959 were higher than in 1958 in all States (fig. 2). The largest increases - 20.1, 19.8, and 16.4 percent - occurred in West Virginia, Arkansas, and Florida, respectively. In 13 States, taxes increased by more than 10 percent; in 22 States by more than 5 percent; and in 10 States by less than 5 percent.

Taxes per acre of farm real estate averaged highest in New Jersey at $9.15, and lowest in New Mexico at $0.10. In 14 States, the average tax per acre was more than $2; in 10 States, it was between $1 and $2, and in 24 States, it was less than $1.

Differences among States in the average tax per acre of farm real estate reflect differences in the value of farmland and the relative value of improvements, as well as in tax systems. Thus in Connecticut, Massachusetts, New Jersey and Rhode Island, where taxes per acre averaged highest, the property tax occupies a relatively important place in the State-local fiscal structure. In addition, agriculture in these States is characterized by small, intensively operated farms having a high value per acre and a large average investment in improvements. In the Northeast as a whole, about 50 percent of the 1959 value of farm real estate represented buildings.

In the Mountain Region, where taxes per acre are relatively low, much of the land is low-value grazing land with considerably fewer and less valuable

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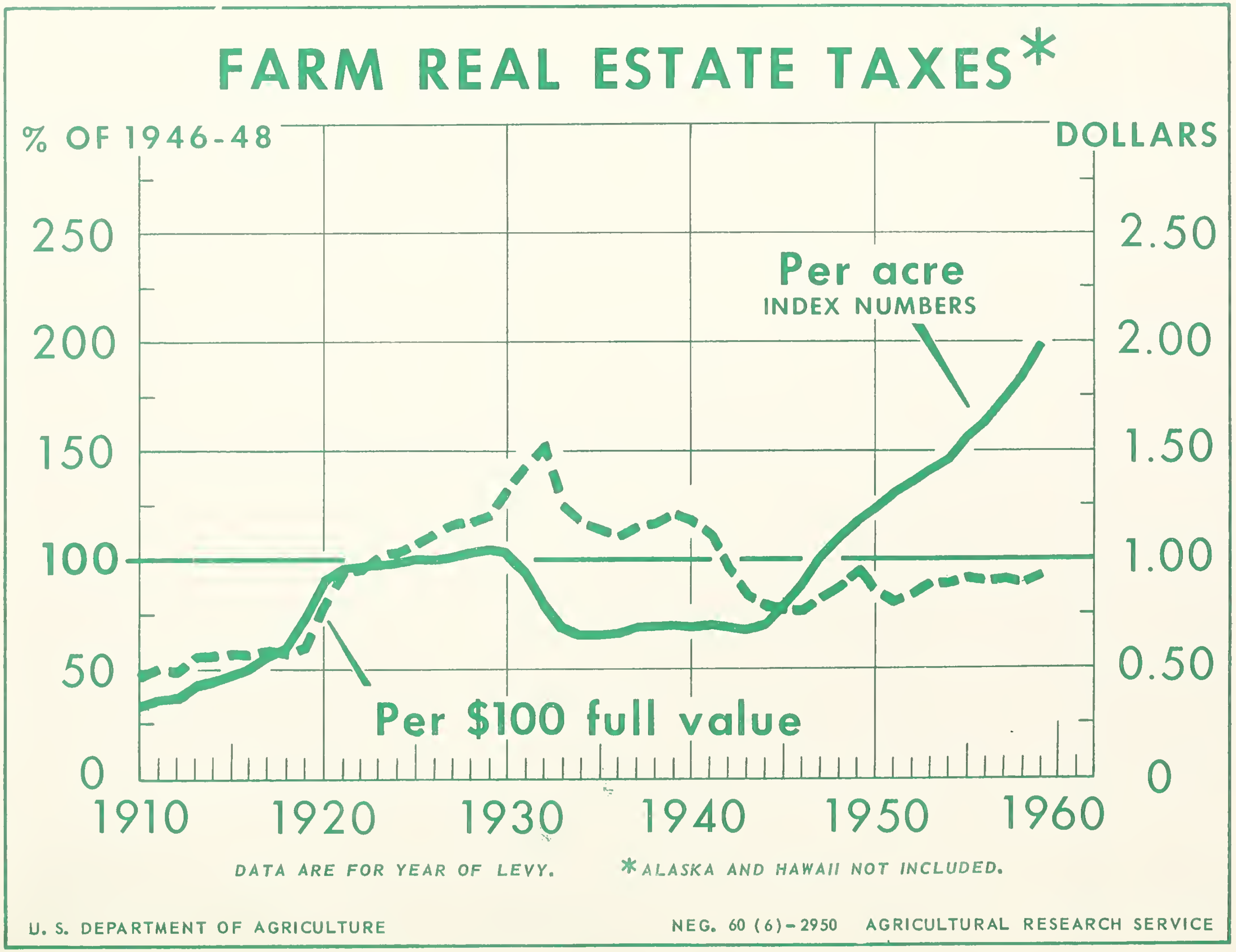
1/ United States totals in this report do not include Alaska and Hawaii. Estimates of taxes levied on farm real estate are not available for these States.


FARM REAL ESTATE TAXES*
% OF 1946-48
DOLLARS
250
200
150
100
50
0
2.50
2.00
1.50
1.00
0.50
0
1910
1920
1930
1940
1950
1960
Per acre
INDEX NUMBERS
Per $100 full value
DATA ARE FOR YEAR OF LEVY.
*ALASKA AND HAWAII NOT INCLUDED.
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NEG. 60 (6)-2950
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Figure 1

improvements than elsewhere. As of March 1, 1960, the value of farm buildings as a percentage of the total value of farm real estate was slightly above 11 percent for the Mountain States as a whole, and lower than in any other region except the Southern Plains.

TAXES RISE MORE RAPIDLY THAN REAL ESTATE VALUES

In recent years, the uptrend in farm taxes has been approximately matched by the rise in market values of farm real estate, with the result that taxes have held around $0.90 per $100 of full value. In the year ended March 1, 1960, the gain in value of farm real estate was about 3 percent, or only about half as much as in the 3 preceding years. As a result, the 8-percent increase in tax levies pushed the tax-to-value relationship from $0.89 per $100 in 1958 to $0.93 in 1959 (table 3). This is the highest tax per $100 of full value since 1949. 2/

Taxes levied on farm real estate varied from a low of $0.31 per $100 of value in New Mexico to a high of $2.22 in Maine. Taxes exceeded $1.50 per $100 of value in 8 States, all except one of which are in the Northeast. In 11 States, mainly in the South, taxes averaged less than $0.50 per $100 of value.

REAL ESTATE TAXES INCREASE IN RELATION TO INCOME

Taxes levied on farm real estate in 1959 absorbed 8.5 percent of total net farm income including taxes and net rent paid to nonfarm landlords (fig. 3). This was the highest proportion since the early thirties. In 1958, the proportion was 6.8 percent (fig. 3). The increase in 1959 resulted from the combination of the sharp increase in farm real estate taxes and a 15-percent decline in farm income, as defined above. The ratio of farm real estate taxes to net farm income was above 10 percent in 25 States, between 5 and 10 percent in 11 States, and less than 5 percent in the remaining 12 States (fig. 3). The ratio was generally highest in the Northeastern States. It was lowest in the South, where the general property tax is a relatively minor source of State and local revenue.

Taxes levied on farm real estate in three States - California, Illinois, and Iowa - accounted for 28 percent of the corresponding U. S. total. The amounts levied in these three States were greater than the total levied on farm real estate in 33 other States (table 4).

2/ The farm real estate values used in this comparison are estimates of market value of privately owned farmland and buildings made by the Farm Economics Research Division, ARS. On March 1, 1960, the value of privately owned farmland was estimated at $129 billion, of which buildings comprised almost a fourth. (Current Developments in The Farm Real Estate Market. ARS 43-126 (CD 55), May 1960.) The benchmark data to which this series is tied consist of owners' estimates of market values and are obtained from the Census of Agriculture. Estimates for intercensal years are obtained by survey. (See Major Statistical Series of USDA, Vol. 6, Agr. Handbook 118, Oct. 1957.) The estimates so derived are adjusted to exclude the value of farm real estate in public ownership or in Indian reservations.

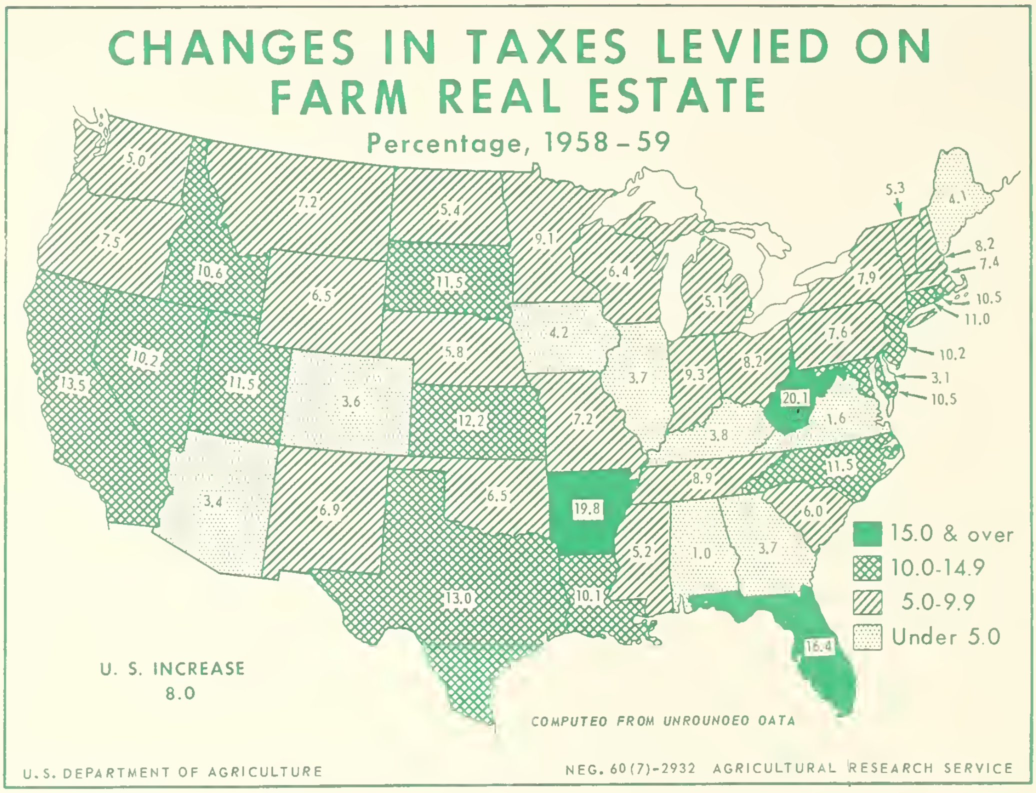

Figure 2

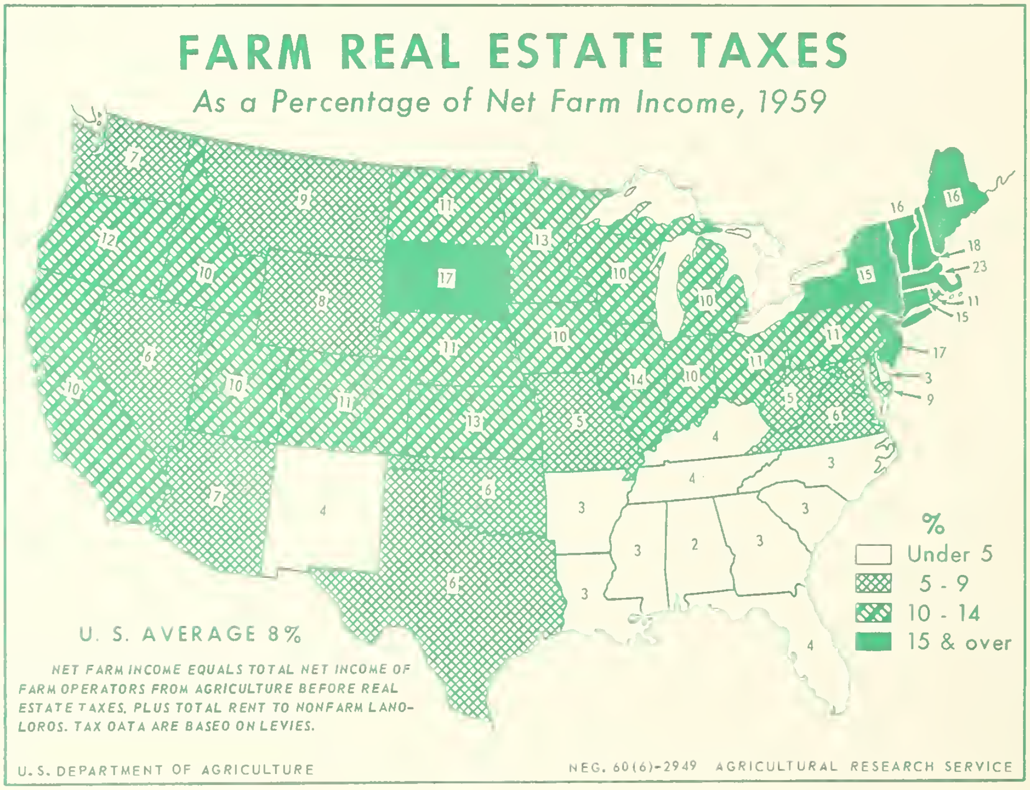
FARM REAL ESTATE TAXES
As a Percentage of Net Farm Income, 1959
7
9
11
16
16
18
23
12
10
17
13
10
15
11
15
8
10
6
10
11
10
11
17
10
14
10
11
3
9
5
6
13
5
11
4
3
7
4
6
4
3
3
3
2
3
3
6
4
%
Under 5
5 - 9
10 - 14
15 & over
U. S. AVERAGE 8%
NET FARM INCOME EQUALS TOTAL NET INCOME OF FARM OPERATORS FROM AGRICULTURE BEFORE REAL ESTATE TAXES, PLUS TOTAL RENT TO NONFARM LANDLORDS. TAX DATA ARE BASED ON LEVIES.
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Figure 3

The index of farm real estate taxes (1946-48 = 100) advanced 15 points to 199, or approximately double the tax per acre in the base period. As taxes levied in one year are payable for the most part in the following calendar year, the tax index base 1946-48 is comparable to other components of the parity index based on 1947-49 averages. The tax component of the parity index, which carries a weight of 2.04 percent, shows a greater gain since 1947-49 than any other component except mortgage interest. The parity index (prices paid for commodities and services, interest, taxes, and wage rates) for June 1960 stood at 120 (1947-49 = 100).

VARIATIONS BY TYPE-OF-FARMING AREA

An analysis of taxes levied on farm real estate in each type-of-farming area indicates that in 1959 taxes were highest in the fruit, truck, and mixed-farming areas and in the dairy areas. Taxes per acre of farmland in these areas averaged more than three times the national average. They were lowest in the range livestock and cotton-farming areas, where the average tax per acre was less than half the national average.

These tax differentials are associated with the wide variations between areas in the value of farm real estate and with the varying degrees of intensity of land use. Fruit, truck, and mixed farming involve a fairly intensive use of land. This is true also of dairy farming. Moreover, these types of agriculture tend to be found close to centers of population, where farmland is relatively valuable. Range livestock farming, on the other hand, involves low-intensity land use and is typically far removed from urban centers. The areas in which cotton production is dominant are mainly the low-tax Southern States.

TAXES HIGHEST ON FARMS IN METROPOLITAN AREAS

A similar comparison between farms located in standard metropolitan areas and those outside indicated that on the average taxes per acre on farm real estate located in metropolitan counties were more than double the taxes on farms located in counties immediately adjacent. In rural counties - those at some distance from metropolitan centers - taxes were even lower. These variations have several important causes. One is the pressure of urban and suburban expansion, which bids the value of land upward and often leads to increased assessments for tax purposes. Closely related is the fact that, as suburban development occurs, the increased cost of supplying local governmental services places added demands on the general property tax. In addition, farms in metropolitan areas tend to be smaller, in terms of acreage, with a higher concentration of improvements and a relatively high value per acre.

SOME CAUSES FOR THE RISE IN FARM REAL ESTATE TAX LEVIES

The continued rise in farm real estate tax levies is a direct result of the steadily expanding revenue requirements of local governments. The general property tax, including farm real estate taxes, is predominantly a local tax source. In 1957, less than 2 percent of the total general property tax in the United States was collected by State governments. Local governments excluding municipalities spent $17 billion in 1957, 60 percent of which was for local schools (table 5). Highways and welfare were next in importance in terms of expenditures.

FARM PROPERTY TAXES IN ALASKA AND HAWAII

The admission of the Territories of Alaska and Hawaii to the Union as the 49th and 50th States has led to heightened interest in government in these States. Although the estimates presented in this report apply only to the 48 States of the continental United States, plans are underway to incorporate estimates of taxes levied on farm real estate in these two new States into the report for 1960 levies.

Taxation of property in Alaska is confined to municipalities and independent school districts. There is no State tax on general property. As there is at present no organized local government in Alaska outside municipalities, it is likely that farm real estate in that State bears little property tax.

Hawaii has a unique tax system that incorporates every major kind of tax found among the States - income (both personal and corporate), sales, excise, property, inheritance, and others - and vests virtually the entire taxing power in the central government (State). Even the property tax is administered almost entirely by the State. Property tax rates are fixed annually by the Board of Supervisors in each county within the maximum limit of $18 per $1,000 of assessed valuation. The State assesses property and collects all taxes levied. Property taxes are returned to local governments. There is no Statewide levy on property for State revenue. Taxable property consists of real property (land and buildings) only.

In 1959, taxes levied on farmland devoted to the cultivation of pineapple and sugarcane, and to grazing cattle, totaled $1,389,000 (table 6). Taxes levied on this farmland averaged $1.17 per acre. This average tax per acre is not comparable to the average tax per acre estimated for other States, as it does not include taxes levied on lands used for dairies, rice and taro paddies, coffee, and livestock other than cattle or taxes on farm and plantation buildings.

REGRESSIVITY IN ASSESSMENT OF FARM REAL ESTATE

A recent report of the Farm Economics Research Division, Agricultural Research Service, describes the general situation in assessment of farm real estate in the United States. 3/ One of the principal findings concerns the marked tendency toward regressivity in assessments - that is, the tendency for higher valued properties to be assessed at a smaller fraction of their sales prices than lower-valued properties. One measure of this tendency is the index of assessment regressivity. Total absence of regressivity (within assessing jurisdictions) would give an index value of 100. In 1956, by this measure, all except 1 of the 48 States revealed some tendency toward regressivity in farm assessment (table 7). Twenty States showed an index of more than 120. In general, these were States with relatively low ratios of assessments to sales prices. One State (Nevada) showed a slight opposite tendency, that is, a tendency toward relative overvaluation of higher value properties.

3/ Leonard, L. A., Assessment of Farm Real Estate in the United States, U. S. Agr. Res. Serv. ARS 43-117, Feb. 1960.

In 1956, for the Nation as a whole, the simple average ratio of assessed valuation of farm real estate to its market value was 28 percent. In 4 States - Illinois, Maine, Rhode Island, and South Dakota - the ratio was above 50 percent, and in 6 others, above 40 percent. States in the Delta, Southern Plains, Mountain, and Pacific Regions generally showed assessment ratios of less than 20 percent.

ASSESSMENT PROBLEMS IN RURAL-URBAN FRINGE AREAS

Some of the most difficult problems in assessing farm real estate arise in the rural-urban fringe, where demand for industrial sites, subdivisions, roads, shopping centers, and the like, exert a pressure on farmland values, which reflect primarily value if sold rather than value if retained as farmland. The same farm property must also contribute, through taxation, to the support of the many governmental services necessitated by this expansion.

To ease the impact of rising real estate taxes on agricultural lands in the rural-urban fringe, three States - California, Florida, and Maryland - have enacted laws that require assessment of agricultural real estate solely on the basis of its value in agriculture, and without regard to possible nonfarm uses.

In California, under 1957 legislation, zoning is to be utilized as a criterion for assessment. Property that is zoned and used exclusively for agricultural or recreational purposes and for which there is no probability of zoning modification in the near future is to be assessed under no other criterion. Almost half the counties in California have zoning ordinances that permit exclusive agricultural zoning. [4]

In Florida, a 1957 law requires that land used for agricultural purposes be assessed as such regardless of whether the acreage has become part of a subdivision or development.

A similar law in effect in Maryland since 1956 has been the center of much legal controversy. At present, the legal status of the law hinges on the outcome of a referendum to be held in November as an amendment to Article 43 of the State Constitution. Preliminary findings of a study of the Maryland experience under this law indicate substantial reductions in farm taxes in areas nearest urban centers. However, in the administration of the law, considerable difficulty has centered about the question of what is "agricultural use" and the measurement of "agricultural value."

At least six other States have considered legislation of this general kind, but as yet only the above-mentioned three States have enacted such laws.

SOURCES OF DATA AND ACKNOWLEDGEMENT

The data on farm real estate tax levies presented in this report are based on information obtained from the Census of Agriculture and from an annual nationwide survey (48 States) conducted by the Farm Economics Research Division, ARS. This year, the survey covered more than 27,000 sample farms. The cooperation of the more than 3,000 local tax officials who assisted in the collection of data for this report is gratefully acknowledged.

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[4] Solberg, E. D., Talks on Rural Zoning, Farm Economics Research Division, Agricultural Research Service, Jan. 1960, p. 5.

Table 1.- Taxes levied on farm real estate: Total, amount per acre, and amount per $100 of full value, United States, 1890-1959 [1]

Year	Total taxes	Taxes per acre		Taxes per $100 of full value
		Amount	Index 1946-48 = 100 [2]	
	Million dollars	Dollars		Dollars
1890	81.9	0.13	24	---
1891	84.2	.13	23	---
1892	87.1	.13	24	---
1893	91.5	.13	24	---
1894	93.3	.13	24	---
1895	97.6	.14	24	---
1896	96.9	.13	23	---
1897	101.0	.13	24	---
1898	101.5	.13	23	---
1899	105.1	.13	24	---
1900	105.6	.13	23	---
1901	110.5	.13	24	---
1902	113.1	.14	24	---
1903	123.0	.15	26	---
1904	125.4	.15	27	---
1905	130.3	.15	28	---
1906	132.0	.16	28	---
1907	140.7	.16	29	---
1908	150.0	.17	31	---
1909	163.2	.19	33	0.48
1910	165.7	.19	34	.47
1911	182.7	.21	37	.50
1912	191.2	.21	38	.49
1913	218.0	.24	43	.55
1914	222.2	.24	44	.56
1915	243.0	.26	47	.57
1916	260.0	.28	50	.57
1917	291.7	.31	56	.58
1918	311.3	.33	59	.57
1919	393.1	.41	74	.59
1920	483.0	.51	90	.79
1921	509.7	.54	96	.94
1922	509.1	.54	97	.96
1923	516.4	.55	98	1.01
1924	511.4	.55	98	1.03
1925	516.8	0.56	100	1.07
1926	525.6	.56	100	1.12
1927	544.7	.57	102	1.16
1928	555.6	.58	103	1.17
1929	567.5	.58	104	1.20
1930	566.8	.57	103	1.31
1931	526.1	.53	94	1.43
1932	461.2	.45	81	1.52
1933	398.4	.39	69	1.25
1934	383.8	.37	66	1.17
1935	392.3	.37	66	1.14
1936	394.4	.38	67	1.11
1937	404.8	.39	69	1.15
1938	400.4	.38	69	1.17
1939	406.8	.39	70	1.21
1940	401.1	.39	69	1.18
1941	406.7	.39	70	1.12
1942	399.5	.38	69	.97
1943	400.2	.38	68	.84
1944	418.9	.40	71	.79
1945	464.8	.44	79	.77
1946	518.7	.49	88	.77
1947	605.4	.57	102	.83
1948	656.0	.62	110	.87
1949	706.2	.66	118	.95
1950	740.6	.69	124	.86
1951	772.8	.72	130	.81
1952	804.5	.76	135	.84
1953	838.9	.79	141	.89
1954	869.7	.82	146	.89
1955	928.4	.87	156	.92
1956	977.3	.91	163	.90
1957	1,043.5	.97	174	.91
1958	[3] 1,103.2	1.03	184	.89
1959	1,191.8	1.11	199	.93

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[1] Year of levy but not necessarily year of payment. Alaska and Hawaii not included.
[2] Computed from unrounded data.
[3] Revised.

Table 2.- Taxes levied on farm real estate: Amount per acre by States, 1909-13 average and selected years, 1925-59 1/

State and region	Average 1909-13	1925	1930	1935	1940	1945	1950	1957	1958	1959
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine	0.28	0.62	0.81	0.75	0.84	1.00	1.27	1.55	1.59	1.65
New Hampshire	.31	.69	.76	.81	.88	.92	1.41	1.95	2.09	2.26
Vermont	.21	.51	.58	.45	.54	.60	.87	1.22	1.30	1.37
Massachusetts	.81	2.00	2.16	2.61	2.70	2.69	3.44	5.11	5.52	5.93
Rhode Island	.46	1.03	1.35	1.36	1.70	1.90	2.40	4.15	4.56	5.04
Connecticut	.48	1.36	1.63	1.79	1.86	2.21	3.30	5.32	5.87	6.51
New York	.41	1.04	1.04	.95	1.10	1.10	1.66	2.42	2/ 2.59	2.79
New Jersey	.72	2.18	2.74	2.03	2.31	2.51	3.89	7.79	8.31	9.15
Pennsylvania	.49	1.11	1.30	.97	.98	1.05	1.38	1.87	2.01	2.16
Delaware	.25	.73	.50	.36	.33	.44	.58	.93	1.04	1.07
Maryland	.38	.88	.93	.66	.81	.84	1.15	1.53	1.60	1.77
Northeast	.44	1.04	1.15	1.00	1.09	1.15	1.60	2.34	2/ 2.51	2.71
Michigan	.43	1.26	1.34	.46	.46	.52	.77	1.54	1.66	1.75
Wisconsin	.34	.96	1.05	.75	.78	.96	1.57	2.11	2.18	2.32
Minnesota	.23	.78	.87	.61	.66	.85	1.33	1.88	2.00	2.18
Lake States	.34	.96	1.04	.62	.65	.80	1.27	1.87	1.98	2.13
Ohio	.47	1.31	1.36	.65	.69	.74	1.09	1.82	1.92	2.08
Indiana	.52	1.40	1.47	.69	.76	.81	1.35	1.96	2.09	2.28
Illinois	.40	1.15	1.16	.79	.98	1.10	2.08	3.51	3.79	3.93
Iowa	.40	1.15	1.24	.94	1.00	1.21	1.92	2.51	2.65	2.76
Missouri	.14	.43	.45	.32	.32	.34	.51	.78	.83	.88
Corn Belt	.39	1.04	1.08	.68	.74	.84	1.40	2.12	2.26	2.39
North Dakota	.14	.37	.38	.23	.22	.25	.43	.50	.50	.52
South Dakota	.13	.44	.44	.23	.28	.32	.47	.67	.66	.74
Nebraska	.16	.42	.44	.29	.30	.38	.66	1.05	1.08	1.14
Kansas	.19	.52	.55	.37	.36	.41	.72	1.02	1.07	1.20
Northern Plains	.15	.44	.46	.29	.30	.35	.58	.83	.85	.93
Virginia	.11	.34	.34	.25	.27	.29	.46	.72	.74	.75
West Virginia	.12	.43	.46	.16	.16	.17	.23	.29	.31	.37
North Carolina	.08	.55	.59	.32	.37	.40	.50	.67	.71	.79
Kentucky	.15	.40	.43	.30	.32	.38	.63	.75	.77	.80
Tennessee	.14	.43	.47	.37	.38	.41	.47	.55	.56	.61
Appalachian	.12	.43	.46	.29	.32	.35	.49	.63	.66	.70
South Carolina	.13	.39	.40	.30	.30	.26	.36	.45	.48	.51
Georgia	.11	.29	.30	.23	.14	.19	.32	.36	.36	.37
Florida	.11	.95	.70	.39	.32	.25	.51	.76	.82	.96
Alabama	.09	.21	.25	.21	.20	.23	.26	.29	.30	.30
Southeast	.11	.35	.34	.25	.21	.22	.35	.45	.47	.51
Mississippi	.14	.59	.63	.45	.34	.37	.38	.44	.44	.47
Arkansas	.15	.34	.32	.28	.28	.29	.32	.44	.52	.62
Louisiana	.15	.57	.57	.45	.31	.33	.39	.52	.55	.60
Delta States	.14	.49	.50	.39	.31	.33	.36	.46	.49	.55
Oklahoma	.19	.42	.47	.23	.24	.25	.36	.43	.45	.48
Texas	.06	.20	.23	.14	.14	.15	.26	.34	.38	.42
Southern Plains	.12	.25	.28	.16	.16	.17	.28	.36	.39	.44
Montana	.06	.13	.14	.11	.11	.13	.21	.28	.29	.32
Idaho	.24	.58	.64	.45	.45	.55	.85	1.11	1.18	1.31
Wyoming	.03	.07	.09	.06	.06	.07	.13	.16	.16	.17
Colorado	.11	.28	.28	.19	.20	.23	.35	.54	.55	.57
New Mexico	.02	.06	.07	.05	.04	.05	.09	.10	.10	.10
Arizona	.06	.19	.22	.14	.13	.12	.36	.46	.52	.54
Utah	.15	.46	.52	.38	.30	.33	.48	.62	.60	.67
Nevada	.06	.22	.15	.17	.15	.14	.17	.16	.16	.18
Mountain	.08	.18	.19	.14	.14	.16	.27	.36	.37	.40
Washington	.28	.61	.71	.41	.32	.40	.61	.90	.95	1.00
Oregon	.15	.37	.40	.32	.33	.32	.76	.97	.99	1.06
California	.35	1.07	1.14	.63	.83	1.00	1.86	2.71	2.91	3.30
Pacific	.29	.78	.84	.49	.56	.67	1.27	1.83	1.94	2.17
United States	.21	.56	.57	.37	.39	.44	.69	.97	1.03	1.11

1/ Year of levy but not necessarily year of payment. Alaska and Hawaii not included.
2/ Revised.

Table 3.- Taxes levied on farm real estate: Amount per $100 of full value, by States, 1909-13 average and selected years, 1925-59 1/

State and region	Average 1909-13	1925	1930	1935	1940	1945	1950	1957	1958	1959
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine	1.10	1.57	1.98	2.45	2.87	2.09	2.28	2.32	2.24	2.22
New Hampshire	1.14	1.76	1.95	2.47	2.41	1.55	1.82	1.96	1.95	1.98
Vermont	.85	1.42	1.58	1.48	1.76	1.33	1.46	1.76	1.74	1.72
Massachusetts	1.15	1.76	1.68	2.42	2.41	1.65	1.65	1.91	1.90	1.91
Rhode Island	.72	1.06	1.10	1.20	1.38	1.02	.89	.99	.99	1.03
Connecticut	.72	1.15	1.08	1.32	1.30	1.08	1.23	1.46	1.49	1.58
New York	.75	1.46	1.52	1.64	1.99	1.49	1.71	1.90	2/ 1.90	2.02
New Jersey	.83	1.46	1.67	1.51	1.70	1.12	1.23	1.49	1.46	1.55
Pennsylvania	.86	1.49	1.75	1.61	1.65	1.19	1.12	1.09	1.11	1.13
Delaware	.48	1.05	.68	.64	.51	.45	.47	.46	.48	.48
Maryland	.75	1.12	1.16	1.06	1.20	.81	.83	.69	.68	.73
Northeast	.84	1.45	1.56	1.63	1.79	1.30	1.36	1.42	1.42	1.48
Michigan	.87	1.81	2.08	.97	.90	.61	.69	.95	.95	.99
Wisconsin	.57	1.14	1.49	1.37	1.54	1.30	1.58	1.76	1.71	1.79
Minnesota	.46	1.00	1.45	1.39	1.49	1.31	1.34	1.36	1.37	1.48
Lake States	.61	1.24	1.62	1.28	1.35	1.11	1.25	1.36	1.35	1.43
Ohio	.66	1.53	1.89	1.05	1.01	.64	.67	.78	.79	.85
Indiana	.66	1.73	2.27	1.19	1.18	.70	.83	.84	.85	.91
Illinois	.34	.88	1.20	1.06	1.18	.82	1.02	1.28	1.29	1.34
Iowa	.38	.81	1.14	1.19	1.26	.97	1.02	1.12	1.11	1.13
Missouri	.26	.75	.98	.94	.98	.63	.68	.79	.77	.81
Corn Belt	.43	1.02	1.37	1.10	1.15	.79	.90	1.03	1.03	1.07
North Dakota	.46	1.30	1.70	1.31	1.70	1.12	1.31	1.10	1.01	1.04
South Dakota	.31	1.05	1.41	1.16	1.98	1.28	1.17	1.35	1.22	1.35
Nebraska	.33	.70	.85	.87	1.35	.89	.95	1.30	1.23	1.29
Kansas	.45	1.06	1.24	1.17	1.23	.86	.97	1.10	1.09	1.19
Northern Plains	.39	.97	1.19	1.08	1.44	.97	1.04	1.20	1.14	1.22
Virginia	.38	.68	.75	.65	.65	.41	.50	.56	.53	.53
West Virginia	.41	1.10	1.26	.53	.50	.34	.36	.35	.34	.40
North Carolina	.36	1.09	1.48	.91	.95	.53	.46	.45	.45	.49
Kentucky	.50	.92	1.08	.98	.84	.56	.68	.68	.64	.63
Tennessee	.54	1.02	1.23	1.14	1.03	.62	.54	.52	.48	.50
Appalachian	.44	.95	1.14	.87	.83	.52	.53	.53	.51	.53
South Carolina	.49	.96	1.26	1.09	.94	.45	.47	.44	.43	.43
Georgia	.58	1.09	1.27	1.22	.66	.54	.67	.48	.43	.42
Florida	.42	.88	.89	.77	.82	.36	.74	.46	.44	.49
Alabama	.60	.81	.98	.99	.93	.60	.47	.41	.38	.37
Southeast	.55	.95	1.10	1.04	.82	.48	.59	.45	.42	.44
Mississippi	.72	1.99	2.09	1.94	1.32	.82	.59	.48	.44	.45
Arkansas	.78	1.01	1.12	1.23	1.07	.65	.45	.47	.52	.60
Louisiana	.62	1.44	1.40	1.37	.86	.54	.44	.37	.35	.37
Delta States	.72	1.45	1.57	1.54	1.10	.69	.50	.44	.44	.47
Oklahoma	.72	1.22	1.39	.91	.98	.62	.60	.58	.56	.56
Texas	.32	.70	.92	.76	.71	.43	.47	.47	.48	.52
Southern Plains	.42	.84	1.04	.80	.78	.47	.50	.49	.50	.53
Montana	.34	1.03	1.36	1.56	1.42	.89	.92	.89	.88	.90
Idaho	.52	1.34	1.64	1.51	1.34	.86	.94	.99	.99	1.05
Wyoming	.26	.84	1.12	1.11	.94	.57	.76	.93	.86	.87
Colorado	.36	1.20	1.43	1.59	1.53	.89	.88	1.23	1.18	1.17
New Mexico	.26	1.00	1.12	.97	.70	.33	.35	.33	.31	.31
Arizona	.18	1.35	1.33	1.14	1.11	.38	.77	.69	.73	.72
Utah	.44	1.19	1.54	1.67	1.31	.84	.84	1.04	.96	1.02
Nevada	.38	1.37	1.02	1.47	1.14	.64	.73	.53	.50	.52
Mountain	.38	1.16	1.35	1.43	1.27	.73	.80	.88	.86	.88
Washington	.55	1.07	1.44	1.09	.80	.50	.59	.62	.61	.60
Oregon	.36	.90	1.17	1.38	1.15	.57	1.06	1.02	.99	1.02
California	.59	.94	1.10	.86	1.15	.62	.98	.90	.89	.95
Pacific	.54	.96	1.16	.96	1.08	.59	.92	.87	.86	.90
United States	.50	1.07	1.31	1.14	1.18	.77	.86	.91	.89	.93

1/ Year of levy but not necessarily year of payment. Alaska and Hawaii not included.
2/ Revised.

Table 4.- Taxes levied on farm real estate: Total taxes by States, selected years, 1925-59 [1]

State and region	1925	1930	1935	1940	1945	1950	1957	1958	1959
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
Maine	3.2	3.8	3.6	3.5	4.6	5.3	5.6	5.7	6.0
New Hampshire	1.6	1.5	1.7	1.6	1.9	2.4	2.8	3.0	3.2
Vermont	2.0	2.3	1.8	2.0	2.3	3.0	4.1	4.3	4.5
Massachusetts	4.7	4.3	5.8	5.2	5.6	5.6	7.2	7.8	8.4
Rhode Island	.3	.4	.4	.4	.5	.5	.6	.7	.8
Connecticut	2.5	2.5	3.7	2.8	3.5	4.2	6.0	6.6	7.3
New York	20.1	18.7	17.7	18.8	19.3	26.5	36.3	[2] 38.8	41.8
New Jersey	4.2	4.8	3.9	4.3	4.5	6.7	12.9	13.8	15.2
Pennsylvania	18.0	19.9	15.4	14.4	15.7	19.3	24.4	26.3	28.2
Delaware	.7	.4	.3	.3	.4	.5	.8	.8	.9
Maryland	3.9	4.0	2.9	3.4	3.5	4.7	5.9	6.2	6.9
Northeast	61.2	62.6	57.2	56.7	61.8	78.7	106.6	[2] 114.0	123.2
Michigan	22.7	22.9	8.4	8.3	9.6	13.1	25.2	27.3	28.7
Wisconsin	20.9	23.0	17.7	17.8	22.5	36.4	47.3	49.1	52.2
Minnesota	23.6	27.0	19.9	21.6	28.1	43.6	60.4	64.2	70.1
Lake States	67.2	72.9	46.0	47.7	60.2	93.1	132.9	140.6	151.0
Ohio	29.0	29.3	14.9	15.0	16.1	22.7	36.3	38.3	41.4
Indiana	28.0	28.9	14.2	15.1	16.1	26.5	37.7	40.0	43.7
Illinois	35.3	35.5	25.1	30.4	34.6	64.3	106.0	114.5	118.7
Iowa	38.4	42.3	32.4	34.0	41.6	65.7	85.4	90.1	93.8
Missouri	13.9	15.2	11.1	11.0	11.8	17.8	26.6	28.2	30.2
Corn Belt	144.6	151.2	97.7	105.5	120.2	197.0	292.0	311.1	327.9
North Dakota	12.8	14.5	8.9	8.4	9.5	16.7	19.9	19.9	21.0
South Dakota	14.2	16.2	8.6	9.6	10.9	18.2	26.0	25.8	28.8
Nebraska	17.8	19.7	13.7	14.3	17.5	30.2	48.2	49.7	52.6
Kansas	22.6	25.8	18.0	17.6	20.1	35.0	50.9	53.3	59.8
Northern Plains	67.4	76.2	49.2	49.9	58.0	100.1	145.0	148.7	162.2
Virginia	5.8	5.6	4.4	4.4	4.7	7.1	10.5	10.8	10.9
West Virginia	3.9	4.0	1.4	1.4	1.5	1.9	2.1	2.2	2.7
North Carolina	10.3	10.7	6.4	6.9	7.5	9.6	12.1	12.9	14.3
Kentucky	8.0	8.5	6.1	6.5	7.4	12.3	13.5	13.9	14.4
Tennessee	7.7	8.5	7.1	7.1	7.3	8.7	9.8	9.9	10.8
Appalachian	35.7	37.3	25.4	26.3	28.4	39.6	48.0	49.7	53.2
South Carolina	4.1	4.2	3.6	3.4	2.9	4.3	5.0	5.3	5.6
Georgia	6.3	6.6	5.7	3.4	4.4	8.2	8.6	8.6	8.9
Florida	5.6	3.5	2.4	2.6	3.3	8.1	13.4	14.5	16.9
Alabama	3.5	4.5	4.2	3.9	4.3	5.3	6.0	6.1	6.2
Southeast	19.5	18.8	15.9	13.3	14.9	25.9	33.0	34.5	37.6
Mississippi	9.4	10.8	8.8	6.6	7.2	7.8	9.1	9.1	9.6
Arkansas	5.3	5.1	5.1	5.1	5.0	6.0	7.8	9.2	11.1
Louisiana	5.0	5.4	4.7	3.1	3.3	4.3	5.7	6.1	6.7
Delta States	19.7	21.3	18.6	14.8	15.5	18.1	22.6	24.4	27.3
Oklahoma	12.9	15.8	8.1	8.4	8.5	12.6	15.0	15.5	16.5
Texas	22.1	29.2	19.8	19.0	21.6	37.2	48.9	53.8	60.8
Southern Plains	35.0	45.0	27.9	27.4	30.1	49.8	63.9	69.3	77.4
Montana	4.3	6.2	5.4	5.2	6.4	10.4	14.8	15.7	16.8
Idaho	4.7	6.0	4.4	4.7	6.2	10.0	14.2	15.2	16.7
Wyoming	1.4	2.2	1.6	1.6	1.9	3.4	4.7	4.7	5.0
Colorado	6.8	8.2	5.6	6.2	7.8	12.2	18.9	19.4	20.0
New Mexico	1.7	2.2	1.6	1.3	1.6	2.7	3.3	3.3	3.5
Arizona	2.1	2.3	1.9	1.7	1.6	4.5	7.1	8.2	8.5
Utah	2.3	2.9	2.4	2.2	3.0	4.4	6.2	6.0	6.7
Nevada	.9	.6	.6	.6	.7	1.0	1.1	1.1	1.3
Mountain	24.2	30.6	23.5	23.5	29.2	48.6	70.3	73.6	78.6
Washington	7.7	9.6	6.1	4.9	6.2	10.0	14.1	14.9	15.7
Oregon	5.3	6.7	5.6	5.9	6.1	14.8	18.9	19.3	20.7
California	29.3	34.6	19.2	25.2	34.2	64.9	96.2	103.1	117.0
Pacific	42.3	50.9	30.9	36.0	46.5	89.7	129.2	137.3	153.4
United States	516.8	566.8	392.3	401.1	464.8	740.6	1,043.5	[2] 1,103.2	1,191.8

[1] Year of levy but not necessarily year of payment. Alaska and Hawaii not included.
[2] Revised.

Computed from unrounded data.

Table 5.- Local government expenditures by function, United States, 1957 1/

Item	Amount	Percentage
	Million dollars	Percent
Education:		
Local schools	10,217	59.5
Other	27	.2
Total	10,244	59.7
Highways	1,629	9.5
Public welfare	1,170	6.8
Hospitals	717	4.2
Health	144	.8
Police	248	1.4
Local fire protection	101	.6
Natural resources	244	1.4
Sewers and sewage disposal	263	1.5
Other sanitation	33	.2
Local parks and recreation	150	.9
Housing and community redevelopment	256	1.5
Nonhighway transportation	208	1.2
Correction	136	.8
Local libraries	55	.3
General control	683	4.0
General public buildings	194	1.1
Interest on general debt	446	2.6
Other general government	266	1.5
Total	17,186	100.0

1/ Excludes local government expenditures for utilities, liquor stores, and insurance trusts and expenditures by municipalities.

U. S. Bureau of the Census, Compendium of State Government Finances, 1957, pp. 66-67.

Table 6.- Total tax levy and average tax per acre of selected agricultural lands devoted to the cultivation of pineapple and sugarcane and to grazing cattle, Hawaii, 1959 1/

County	Acreage assessed	Tax levy	Average tax per acre
	Acres	1,000 dollars	Dollars
City and county of Honolulu	77,433	374	4.83
Maui County	270,842	463	1.71
Hawaii County	670,013	270	.40
Kauai County	170,755	282	1.65
Totals	1,189,043	1,389	1.17

1/ Includes assessed acreage privately owned and leased from private and public ownership. Excludes land and buildings not directly related to cultivation or livestock operations, such as the owner-operator's home, and plantation and ranch buildings and the land on which they are located.

State of Hawaii, Department of Taxation.

Table 7.- Assessment ratios of farm real estate by States, regions, and United States, 1956

State and region	Farms		
	Assessment ratio 1/		Index of assessment regressivity within local assessing units 2/
	Value mean	Simple average	
	Percent	Percent	
Maine	38.8	53.3	109
New Hampshire	37.1	42.3	109
Vermont	26.7	37.1	119
Massachusetts	27.5	30.9	104
Rhode Island	66.4	69.7	100
Connecticut	38.6	35.3	103
New York	28.2	38.9	117
New Jersey	11.9	18.4	118
Pennsylvania	18.1	26.7	125
Delaware	39.0	44.3	118
Maryland	37.0	41.5	109
Northeast	25.0	34.4	117
Michigan	15.2	45.2	126
Wisconsin	44.3	48.7	106
Minnesota	15.2	25.6	119
Lake States	22.6	40.3	119
Ohio	27.1	33.6	113
Indiana	20.8	24.7	116
Illinois	41.7	51.0	116
Iowa	27.1	33.7	112
Missouri	26.7	33.0	120
Corn Belt	28.7	35.1	115
North Dakota	16.6	22.1	132
South Dakota	43.2	52.3	109
Nebraska	29.6	36.3	130
Kansas	26.0	35.2	113
Northern Plains	26.9	34.4	120
Virginia	12.8	18.7	129
West Virginia	29.8	45.3	139
North Carolina	25.7	39.2	121
Kentucky	29.5	30.1	113
Tennessee	20.5	24.4	129
Appalachian	20.6	29.2	125
South Carolina	8.7	10.5	125
Georgia	14.0	18.2	113
Florida	14.6	22.7	133
Alabama	15.0	29.4	137
Southeast	14.1	21.3	129

See footnotes at end of table.

-Continued

Table 7.- Assessment ratios of farm real estate by States, regions, and United States, 1956 -Continued

State and region	Farms: Assessment ratio 1/ Value mean	Farms: Assessment ratio 1/ Simple average	Farms: Index of assessment regressivity within local assessing units 2/
	Percent	Percent	
Mississippi	14.4	21.6	135
Arkansas	6.8	11.3	145
Louisiana	9.4	19.0	165
Delta States	9.5	14.9	147
Oklahoma	16.6	26.6	129
Texas	9.7	13.5	126
Southern Plains	11.7	18.9	127
Montana	6.9	10.5	122
Idaho	9.2	14.5	149
Wyoming	19.8	22.5	104
Colorado	19.5	25.4	108
New Mexico	11.3	25.6	167
Arizona	8.5	9.5	151
Utah	12.4	18.4	111
Nevada	17.9	20.7	97
Mountain	12.0	18.2	134
Washington	13.2	15.1	109
Oregon	16.3	18.0	107
California	14.3	17.9	115
Pacific	18.4	17.1	113
United States	19.6	28.0	122

1/ The "value mean" assessment ratio equals the total assessed value of transferred acreage and farm properties divided by their total selling prices. The "simple average" assessment ratio equals the sum of the assessment-to-sales-price ratios of individual transfers divided by the number of transferred properties; this, then, is the assessment ratio of the typical property within the group being measured.

2/ The index of assessment regressivity is calculated at the local jurisdictional level by dividing the simple average assessment ratio by the corresponding value mean assessment ratio. An index of 100 would indicate the absence of any intrajurisdictional regressivity in assessment. The regional and U. S. average indexes are weighted averages (by selling prices) of the State indexes.

Assessment ratio data are based on a probability sample of 13,512 sales of vacant acreage and farms in 1,511 local assessing jurisdictions and in 159 additional counties sampled concurrently.

Leonard, L. A., Assessment of Farm Real Estate in the United States. U. S. Agr. Res. Serv. ARS 43-117, Feb. 1960.